

INSURANCE CODE
TITLE 13. REGULATION OF PROFESSIONALS
SUBTITLE A. GENERAL PROVISIONS
CHAPTER 4004. CONTINUING EDUCATION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 4004.001. DEPARTMENT JURISDICTION EXCLUSIVE. The department has exclusive jurisdiction of all matters relating to the continuing education of agents licensed under this code.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

SUBCHAPTER B. AGENT CONTINUING EDUCATION REQUIREMENTS

Sec. 4004.051. GENERAL REQUIREMENTS. (a) Except as provided by Section 4004.052 or other law, each individual who holds a license issued by the department shall complete, as a condition of licensure, continuing education as provided by this chapter.

(b) All required continuing education hours must be completed before the expiration date of the individual's license.

(c) At least 50 percent of all required continuing education hours must be completed in a classroom setting or a classroom equivalent setting approved by the department.

(d) The department may accept continuing education hours completed in other professions or in association with professional designations in an insurance-related field.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1172 (S.B. 876), Sec. 6, eff. September 1, 2015.

Sec. 4004.052. EXTENSIONS AND EXEMPTIONS. (a) On the timely written request of an agent, the department may extend the time for the agent to comply with the continuing education requirements of this chapter or may exempt the agent from some or all of the requirements for a licensing period if the department

determines that the agent is unable to comply with the requirements because of illness, medical disability, or another extenuating circumstance beyond the control of the agent. The commissioner by rule shall prescribe the criteria for an exemption or extension under this subsection.

(b) An individual who has continuously held for at least 20 years an agent license issued under this code is exempt from the continuing education requirements of this chapter.

(c) The commissioner by rule may provide for other reasonable exemptions from the continuing education requirements of this chapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

The following section was amended by the 87th Legislature. Pending publication of the current statutes, see H.B. [4030](#), 87th Legislature, Regular Session, for amendments affecting the following section.

Sec. 4004.053. REQUIREMENTS BASED ON TYPE OF LICENSE HELD.

(a) An individual who holds a general life, accident, and health license, a life agent license, a life and health insurance counselor license, an adjuster license, a managing general agent license, a general property and casualty license, or a personal lines property and casualty license must complete 24 hours of continuing education during the license period. If the individual holds more than one license for which continuing education is otherwise required, the individual is not required to complete more than 24 continuing education hours for all licenses during the license period. An individual who is required under rules adopted under Chapter [4008](#) to hold a certificate to sell a designated product or product line may use continuing education programs administered under Section [4004.151](#) to satisfy the continuing education requirements under this subsection.

(b) An individual who holds a limited life, accident, and health license or a limited property and casualty license must complete five hours of continuing education annually.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 548 (S.B. [1263](#)), Sec. 2.20, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 451 (H.B. [2456](#)), Sec. 2, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1172 (S.B. [876](#)), Sec. 7, eff. September 1, 2015.

Sec. 4004.0535. CONTINUING EDUCATION CREDIT FOR PARTICIPATION IN CERTAIN ASSOCIATIONS. (a) The commissioner by rule may authorize the department to grant not more than four hours of continuing education credit to an agent who is an active member of a state or national insurance association.

(b) The commissioner by rule shall:

(1) specify the types of associations that constitute state or national insurance associations; and

(2) establish reasonable requirements for active participation in such an association.

(c) An agent may not use continuing education credit granted under this section to satisfy:

(1) continuing education hours required to be completed in a classroom setting or classroom equivalent under Section [4004.051](#); or

(2) the ethics requirement adopted under Section [4004.054](#).

(d) An agent who seeks continuing education credit under this section shall provide to the department in the manner prescribed by the commissioner a sworn affirmation that the agent is an active member of a state or national insurance association described by Subsection (a) and, for the number of continuing education hours claimed, has:

(1) reviewed educational materials provided by that association; or

(2) attended educational presentations sponsored by that association.

Added by Acts 2005, 79th Leg., Ch. 691 (S.B. [265](#)), Sec. 1, eff. September 1, 2005.

The following section was amended by the 87th Legislature. Pending publication of the current statutes, see H.B. [4030](#), 87th Legislature, Regular Session, for amendments affecting the following section.

Sec. 4004.054. ETHICS REQUIREMENT. Each individual who holds a license issued by the department shall complete two hours of continuing education in ethics during each license renewal period. Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4004.055. CONSEQUENCES OF FAILURE TO COMPLETE CONTINUING EDUCATION REQUIREMENT. (a) The department may not renew a license issued under this title if the license holder fails to:

(1) complete an applicable continuing education requirement not later than the 90th day after the last day of the licensing period; or

(2) pay an applicable fine related to the failure to timely complete continuing education.

(b) The department may not issue a new license under this title to an individual who was previously licensed under this title if the individual fails to:

(1) provide evidence of completion of an applicable continuing education requirement for the expired, nonrenewed, canceled, or revoked license; or

(2) pay an applicable fine related to the failure to timely complete continuing education.

(c) Completion of continuing education after expiration of a license is not a defense in a disciplinary action under Section [4005.101](#), Section [4005.109](#), or another provision of this code against an individual who failed to complete continuing education as required by this chapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 1172 (S.B. [876](#)), Sec. 8, eff. September 1, 2015.

SUBCHAPTER C. CONTINUING EDUCATION PROGRAMS

Sec. 4004.101. PROGRAM CERTIFICATION. (a) The department

shall certify continuing education programs for agents and adjusters. The certification criteria must be designed to ensure that continuing education programs enhance the knowledge, understanding, and professional competence of the license holder.

(b) Only a program that satisfies the criteria established by rule by the commissioner may receive certification.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1172 (S.B. 876), Sec. 9, eff. September 1, 2015.

Sec. 4004.102. CERTIFICATION FEE. (a) A nonrefundable certification fee, in an amount set by the commissioner as necessary to administer this chapter, must accompany each application for certification of a continuing education program.

(b) The commissioner by rule shall establish the certification fee based on a graduated scale according to the number of hours required to complete the program.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4004.103. PROVIDER REGISTRATION; OTHER REQUIREMENTS.

(a) Each continuing education program provider shall register with the department as a course provider.

(b) The department shall assess a registration fee for each application for registration as a course provider, set by the commissioner in an amount necessary for the proper administration of this chapter.

(c) The commissioner may adopt rules establishing other requirements for continuing education program providers.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4004.104. INDEPENDENT CONTRACTORS. (a) The department may enter into agreements with independent contractors under which the independent contractor certifies and registers continuing education programs and providers.

(b) The department may require the independent contractors to correspond directly with providers with regard to the

administration of continuing education programs. The contractors may collect fees from the providers for administration of the courses.

(c) Notwithstanding Subsections (a) and (b), the department retains the authority to establish the scope and type of continuing education requirements for each type of license.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4004.105. ADJUSTER CONTINUING EDUCATION PROGRAM CONTENTS. A continuing education program for adjusters licensed under Chapter 4101 must include education relating to:

- (1) Chapter 541;
- (2) Chapter 547;
- (3) Subchapter A, Chapter 542;
- (4) Subchapter E, Chapter 17, Business & Commerce Code; and
- (5) any other similar laws specified by the department.

Added by Acts 2015, 84th Leg., R.S., Ch. 1172 (S.B. 876), Sec. 10, eff. September 1, 2015.

SUBCHAPTER D. AGENT EDUCATION PROGRAMS FOR COMPLEX PRODUCTS

Sec. 4004.151. AGENT EDUCATION PROGRAMS. The department shall administer continuing education and precertification training programs required by rules adopted under Chapter 4008.

Added by Acts 2009, 81st Leg., R.S., Ch. 451 (H.B. 2456), Sec. 3, eff. June 19, 2009.

Sec. 4004.152. PROGRAM ADMINISTRATION. (a) The department shall administer a program described by Section 4004.151 in a manner consistent with the administration of continuing education programs under Subchapter C.

(b) The department may enter into agreements with independent contractors for programs described by Section 4004.151 in the manner prescribed by Section 4004.104 for continuing

education programs.

Added by Acts 2009, 81st Leg., R.S., Ch. 451 (H.B. [2456](#)), Sec. 3, eff. June 19, 2009.

SUBCHAPTER E. CONTINUING EDUCATION REQUIREMENTS FOR SALE OF ANNUITIES

Sec. 4004.201. DEFINITION. In this subchapter, "annuity" has the meaning assigned by Section [1115.002](#).

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec. 1.002, eff. September 1, 2009.

Sec. 4004.202. REQUIRED CONTINUING EDUCATION REGARDING ANNUITIES. (a) This section applies to a resident agent who:

(1) sells, solicits, or negotiates a contract for an annuity in this state; or

(2) represents or purports to represent an insurer in relation to such an annuity.

(b) Each agent described by Subsection (a) must complete eight hours of continuing education that specifically relates to annuities during the agent's two-year licensing period.

(c) The continuing education required under this section may be used to satisfy the continuing education requirements under Subchapter B.

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec. 1.002, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 998 (H.B. [2154](#)), Sec. 1, eff. September 1, 2011.

Sec. 4004.203. PROGRAM CERTIFICATION REQUIREMENTS. (a) The commissioner by rule shall adopt criteria for continuing education programs used to satisfy the requirements of Section [4004.202](#). Those criteria must include:

(1) topics related specifically to annuities;

(2) state laws and rules related to annuities, including requirements adopted under Chapter [1115](#);

(3) prohibited sales practices regarding annuities;

(4) recognition of indicators that a prospective insured may lack the short-term memory or judgment to knowingly purchase an annuity; and

(5) fraudulent and unfair trade practices regarding the sale of annuities.

(b) Subject matter determined by the commissioner to be primarily intended to promote the sale or marketing of annuities does not qualify as continuing education for purposes of this subchapter.

(c) Subchapter C applies to continuing education programs described by Subsection (a) and training under Section [1115.056](#). Any training program disapproved under Subsection (b) shall be presumed invalid for certification under Subchapter C unless the program is approved in writing by the commissioner.

Added by Acts 2009, 81st Leg., R.S., Ch. 362 (H.B. [1294](#)), Sec. 1.002, eff. September 1, 2009.

SUBCHAPTER F. ADDITIONAL CONTINUING EDUCATION REQUIREMENTS FOR SALE OF MEDICARE-RELATED PRODUCTS

Sec. 4004.251. DEFINITIONS. In this subchapter:

(1) "Medicare advantage plan" means a health benefit plan operated under the Medicare program as a managed care plan, special needs plan, or private fee-for-service plan.

(2) "Medicare program" means the federal health insurance program that is operated under the Health Insurance for the Aged Act (42 U.S.C. Section 1395 et seq.).

(3) "Medicare-related product" means a Medicare advantage plan, a Medicare prescription drug plan, or another health plan operated under the Medicare program, such as a Medicare cost plan or a Medicare demonstration plan. The term does not include a Medicare supplement benefit plan regulated under Chapter [1652](#).

Redesignated from Insurance Code, Subchapter D, Chapter 4004 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 27.001(41), eff. September 1, 2011.

Sec. 4004.252. AGENT EDUCATION REQUIREMENTS. (a) Unless an agent has completed eight hours of professional training related to a Medicare-related product, an agent may not:

(1) sell, solicit, negotiate, or receive an application or contract for the Medicare-related product in this state; or

(2) represent an insurer in relation to the Medicare-related product in this state.

(b) The training required under Subsection (a) may be used to satisfy the continuing education requirements established under Subchapter B.

Redesignated from Insurance Code, Subchapter D, Chapter 4004 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(41), eff. September 1, 2011.

Sec. 4004.253. REQUIRED CONTINUING EDUCATION REGARDING MEDICARE PRODUCTS. (a) This section applies to an agent who:

(1) solicits, negotiates, procures, or collects a premium on a Medicare-related product; or

(2) represents or purports to represent an insurer, a health maintenance organization, or a preferred provider organization in relation to such a Medicare-related product.

(b) Each agent described by Subsection (a) must complete four hours of continuing education that specifically relates to Medicare-related products during the agent's two-year licensing period.

(c) Only training in a program that has been certified by the department may be used to satisfy the requirements of Subsection (b).

(d) The continuing education required under Subsection (b) may be used to satisfy the continuing education requirements established under Subchapter B.

Redesignated from Insurance Code, Subchapter D, Chapter 4004 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(41), eff. September 1, 2011.

Sec. 4004.254. PROGRAM CERTIFICATION REQUIREMENTS.

(a) Subchapter C, including the authorization to contract with an independent contractor under Section 4004.104, applies to programs used to satisfy the requirements of Sections 4004.252 and 4004.253. For the purpose of administering this subchapter, professional training courses shall be considered to be continuing education courses under Subchapter C.

(b) The commissioner by rule shall adopt criteria for the programs used to satisfy the requirements of Sections 4004.252 and 4004.253 that are designed to ensure that an agent has knowledge, understanding, and professional competence concerning a Medicare-related product. The rules adopted under this subsection may incorporate by reference any requirements established by the Centers for Medicare and Medicaid Services or any other appropriate federal agency.

Redesignated from Insurance Code, Subchapter D, Chapter 4004 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(41), eff. September 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.002(13), eff. September 1, 2011.

Sec. 4004.255. NONAPPLICATION OF CERTAIN EXEMPTIONS. The continuing education exemptions for certain agents established under Section 4004.052(b) and Section 9.02(e), Chapter 703 (S.B. 414), Acts of the 77th Legislature, Regular Session, 2001, do not apply to requirements under this subchapter.

Redesignated from Insurance Code, Subchapter D, Chapter 4004 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(41), eff. September 1, 2011.